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LAST MINUTE NEWS

Miller sets new brews

MILWAUKEE—Miller Brewing is rolling out superpremium Miller Reserve and Reserve Light, despite continuing declines for Anheuser-Busch's Michelob and the superpremium segment overall. TV spots breaking nationally Sept. 13 are from Frankenberry, Laughlin & Constable.

New Diet Coke theme

ATLANTA—Coca-Cola Co. is said to be ready to break a new ad campaign for Diet Coke themed "Taste it all." The line would replace Diet Coke's longtime "Just for the taste of it" theme. Lintas:New York handles Diet

(Continued on Page 8)

Andrew's wrath

Hurricane clobbers Burger King, Beber

An Advertising Age roundup

MIAMI—Hurricane Andrew's 165-plus mph winds destroyed Burger King Corp.'s lavish corporate headquarters, demolished Beber Silverstein & Partners Chairman Joyce Beber's home and left countless other lives, homes and businesses in shambles.

The hurricane, which hit Florida last Monday and Louisiana on Tuesday, left more than 27 dead and perhaps $20 billion in damage.

After the hurricane struck Burger King's headquarters south of Miami, Chairman-CEO Barry Gibbons was operating the company and employee relief efforts out of a hotel.

Ironically, the 5-year-old, $50 million complex on 80 beachfront acres was designed to withstand 140 mph winds. But Andrew proved stronger, shattering turquoise mirrored windows and ripping coral-color tiles from the walls of the central office building and adjoining technical center and Burger King University.

"They think the eye [of the hurricane] went right through Barry Gibbons' office," said Roger Thomson, senior VP-corporate counsel, who was gathering news on the company's 900 local employees, many of whom lived near the offices.

An executive committee, led by Mr. Gibbons (given the additional title of chairman only the week before), has been running the company from the Doral Hotel, assessing damages and deciding on a temporary headquarters location.

Portions of the complex will be habitable within a month, while other areas will require substantial rebuilding over the next six months.

Burger King agency D'Arcy

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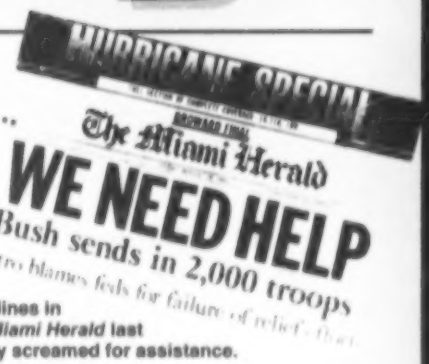

Headlines in *The Miami Herald* last Friday screamed for assistance.

INSIDE

'USA Today' celebrates its 10th anniversary. **Page 13.**

New Clio awards off to slow start. **Page 3.**

IBM gets ready for a big fall push. **Page 5.**

Magazines to seek aggressive hikes in 1993 ad rates

By Scott Donaton

NEW YORK—Magazine publishers will seek aggressive ad rate increases next year, but they'll meet fierce resistance from media buyers.

An informal poll of major publishers indicates they plan to raise published ad rates an average 7.5% in 1993, compared with an estimated 5% hike this year. Their aggressive stance reflects publishers' belief that the economy—and their fortunes—will rebound.

But media buyers say there's no indication media budgets will rise substantially in 1993. Any increases above 3% to 5% will be considered padding to be stripped away by negotiations, value-added programs and other concessions, continuing a pattern of recent years, they say.

"It's not a matter of us rolling over and accepting increases. Those days are over," said Ira Weinblatt, senior VP-director of print media at Saatchi & Saatchi Advertising. "There's no such thing as a reasonable increase anymore."

The average 7.5% rate card jump "is out of sync with anything going on in the real world," he said. "I can't believe [publishers] are going to be so stupid as to encourage us to say maybe we shouldn't look at magazines, maybe we should look at TV, which is holding tight."

The broadcast TV networks won only modest price hikes during the recently completed upfront buying period.

"Publishers are starting to come in with fairly aggressive rate in-

(Continued on Page 40)

CAA moves in on Coke

Ovitz's team working in McCann-Erickson offices

By Patricia Winters and Melanie Wells

Hollywood-based Creative Artists Agency is moving closer to Madison Avenue and now appears to be operating more like a full-fledged Coca-Cola agency.

Power broker Michael Ovitz's talent agency is working side by side with McCann-Erickson Worldwide, New York, to create new advertising for Coca-Cola Co.'s flagship brand, Coca-Cola Classic. The campaign is slated to break early next year.

"CAA executives are in McCann offices [in New York]—they have been for weeks—working on ad concepts," said one executive close to the business. "They're drawing concept boards and writing campaign lines."

Until now, it was believed CAA was working only as a creative consultant to the soft-drink marketer, offering conceptual ideas but not actually creating ads.

■ **Coca-Cola is developing a clear cola—Page 2.**

The primary concept under consideration for the new Coca-Cola Classic campaign was developed by retired McCann Vice Chairman John Bergin and was approved directly by Coca-Cola President Donald Keough.

Messrs. Keough and Bergin are said to have issued a creative directive on the concept that sets out the marketing strategies and creative goals for the campaign.

The involvement of Mr. Keough in developing the directive was unusual and indicates his level of concern about the advertising for the soft-drink marketer's flagship brand.

Other creative ideas being considered for the effort couldn't be

(Continued on Page 4)

David Letterman is leaving NBC; he could take on Jay Leno.

Letterman bolting, and dominos falling

By Joe Mandese

Late-night talk show host David Letterman is definitely leaving NBC at the end of his current contract in April, *Advertising Age* has learned.

TV executives said serious negotiations between Mr. Letterman and potential bidders will begin as soon as NBC exercises a clause that releases him from his contract. That will occur between Labor Day and March 31, when the contract expires.

"And then the bidding will start," a network executive said. "And the only question will be what the pain threshold is."

Mr. Letterman's move, rumored for months but now confirmed, will set off a chain reaction that could alter the late-night schedules of four networks, possibly killing ABC's "Nightline." ABC's Sunday morning news lineup could also change as a result.

Mr. Letterman was angered by NBC's decision to turn Johnny Carson's coveted 11:35 p.m. (ET) time slot over to Jay Leno instead of Mr. Letterman when Mr. Carson retired earlier this year.

"He is definitely going to leave NBC. He feels insulted by them, and there isn't anything they can do to make up for that," another

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- **David Letterman** will leave his late-night talk show on NBC at the end of his current contract in April. 1
- **Creative Artists Agency** execs are now working with McCann-Erickson on new Coca-Cola advertising. 1
- **Magazine ad rates** will get large increases for next year but will meet stiff resistance from media buyers. 1
- **Clio awards** entries are down 76% from last year. 3
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P&G ends coupons for Pampers, Luvs

Decision could have broad impact on marketers

By Jennifer Lawrence and Scott Hume

Procter & Gamble Co. in December will eliminate all coupons for Pampers and Luvs disposable diapers in a dramatic move that could affect how other marketers sell their products.

P&G's move is particularly bold since the nation's $4 billion diaper category is one of the most heavily couponed. P&G typically would drop two national free standing inserts a month—one each for Luvs and Pampers—at a media cost of about $24 million.

The decision was part of P&G's recent move to drop the cost of Pampers and Luvs to retailers by about 7%. The price reduction, the second since May, also involves reducing trade allowances.

P&G, the world's largest advertiser, is using an everyday low pricing strategy for about 60% of its brands. The company has shaken up retailers by slashing promotional dollars while lowering list prices. The goal is to eliminate the wide price swings to consumers that had been brought on by trade deals.

"P&G's diaper strategy is a further refinement to make the brands more effective and efficient," said a former P&G executive. "The game of the future is great products advertised exceptionally well with maximum total system efficiencies. If the diaper strategy works, the domino effect within the industry will be enormous and quick. Everyone else will get out the calculator and will have to choose to continue to put money into couponing or become cost-effective."

The move reflects P&G's desire to compete based on product values and not price, said Kevin Price, senior partner at Marketing Corp. of America, a marketing services consultancy. "Cutting out couponing doesn't mean the rest of the world is going to follow, but the fact that it's Procter suggests that marketers once again have permission to rethink couponing and whether it is good for their brands. Before, nobody's had the nerve to do anything about it."

Over the past 18 months, the company has cut coupon funding by one-third for all brands, a P&G spokeswoman said.

"As coupons have proliferated in various product categories, some brands have found that couponing is not an effective trial device vs. other promotional vehicles," she said. "Other [P&G] brands will execute their couponing programs differently depending on their consumers' needs and their marketing plans."

The new tactic could set a precedent.

"If P&G's strategy for diapers can work, it will be a historic, hallmark move," said a former P&G'er. "There's an excellent probability of success because the strategy feeds to what P&G does best: sell products that work better with advertising that espouses the virtues better with prices that are reliably low."

"If the diaper strategy works, the domino effect within the industry will be enormous and quick."

While a P&G spokesman emphasized that the decision to cut prices further and eliminate coupons was a brand initiative, other P&G brand managers are likely to assess market share impact to determine whether it's a viable strategy for their brands.

"I would not be surprised if P&G extended this diaper tactic," said Jeffrey M. Hill, co-founder of Meridian Consulting Group. "Diapers are one of the most highly couponed categories, suggesting that P&G is prepared to take a bold step where they know the stakes are high."

At least for the short-term, marketers like Kimberly-Clark Corp., marketer of Huggies disposable diapers, may gain a tactical advantage from P&G's getting out of diaper couponing, said Mr. Price of Marketing Corp. of America.

Industry insiders believe Kimberly-Clark will at least match P&G's price cuts. Some believe Kimberly-Clark will test whether coupons build market share once P&G exits coupons.

"We are in the process of evaluating how we will respond" to P&G, said Tina Barry, Kimberly-Clark VP-public relations. "We are looking at various alternatives and will continue to be competitive. We do not feel we have to copy P&G, and we will not automatically match their prices."

Still, even marketers outside diapers are expected to keep a close eye on P&G's move to abandon couponing for Pampers and Luvs, one of the company's major categories.

While P&G over the past year has been cutting back on couponing across all brands, so far other marketers haven't.

Mid-1992 numbers from coupon management company CMS show 193 billion coupons distributed through the first half of the year with a projected full-year 1992 total of 336 billion, 7% above 1991's total.

Redemption has remained unchanged at about 2% through the first half, though average face value has increased 9% to 51¢.

"Every company goes through phases where they decide to move spending from one part to another, and sometimes that means moving away from couponing. But they usually find out that couponing is an essential part of their marketing mix, and they come back," said Paul Moschetti, president of Sullivan Marketing, the New York company that this fall will join News America Corp. and Valassis Inserts as the third major national FSI distributor.

"My competitors and I all go to conferences where marketers bash FSIs and say they hate them," he said, "but consumers are used to them and like them . . . so companies may bash couponing, but couponing has been growing every year for the last 15 years." □

Coke wants that clear advantage

Soft-drink giant may follow competitors with colorless cola

By Patricia Winters

Coca-Cola USA is developing a clear cola, responding to the growth of clear beverages and the early success of Pepsi-Cola Co.'s Crystal Pepsi.

Although it's uncertain how soon Coca-Cola will market a clear cola, beverage industry executives report a variety of news and rumors about its plans.

One soft-drink executive said the product will be called Nordic Mist and could include a full complement of fruit-flavor beverages in decorated glass bottles. Another executive heard Coca-Cola is considering an introduction of Diet Coke Clear.

It's possible Coca-Cola is working on both concepts as it tries to battle a soft market for colas.

Coca-Cola wouldn't comment.

The company is said to have placed new emphasis on product development and is looking at a range of ideas. Coca-Cola hasn't introduced a wholly new product in years but has relaunched brands such as Fresca and new Coke.

Coca-Cola's entry would come on the heels of Pepsi's test of Crystal Pepsi and Diet Crystal Pepsi, which entered test markets last spring and earlier this month, respectively.

Crystal Pepsi is doing so well that a national rollout is expected in January. BBDO Worldwide, New York, handles.

Beverage Digest said Crystal Pepsi has had "extraordinary trial" in its three test markets, and sales are now settling down to "a very respectable 2 share."

Clear beverages are the hottest new trend in the $47 billion soft-drink industry, led by the success of brands such as Clearly Canadian. Indeed, the industry is abuzz about so-called "new age" beverages, described as drinks without artificial flavors or colors that are packaged in glass bottles.

The category runs the gamut from private-label flavored seltzers to SoHo and Snapple. Among the latest entrants is A&W Brands, which next in September plans to enter a handful of test markets with Everlast, the first clear isotonic drink. □

Stewart, Cosby top Q ratings; where's Mike?

By Joe Mandese

It's still a pretty wonderful life for Jimmy Stewart, according to U.S. consumers, but it's a horrible time for Michael Jordan.

Despite a prolonged absence from the silver screen, the veteran actor has emerged as the nation's top entertainment personality, tying Bill Cosby for No. 1 on Marketing Evaluations/TVQ's 1992 Performer Q survey.

Mr. Jordan, who placed fourth in the 1991 rankings, fell to 31st this year. Though the Chicago Bulls star remained the top athlete, survey results showed the entire sports celebrity category is fading.

The survey, conducted every May and June, is widely used by marketers and agencies to select celebrity endorsers, and is used by TV networks and Hollywood producers to cast their shows and movies. Results were provided exclusively to *Advertising Age*.

Messrs. Stewart and Cosby dethroned last year's top performer, TV actor Jaleel White who plays Steve Urkel on ABC's sitcom "Family Matters." Mr. White, whose popularity made him the subject of numerous endorsement deals including a breakfast cereal, fell to 13th.

Mr. Stewart's showing is a surprise. While he published a book a few years ago, his most notable public role recently has been delivering the voice-overs in TV commercials for Campbell Soup Co.'s line of Home Cookin' soups.

"This is what I call mainstreeting. It's going back to things that are known and are uncontaminated by all the horrors of modern life," said Jane Fitzgibbon, senior VP-group director of the Trendsights Division of Ogilvy & Mather Worldwide, New York.

Conversely, Ms. Fitzgibbon said the decline of sports personalities in the Q' ratings reflects a growing backlash against U.S. athletes perceived as "too egotistical or mercenary."

She said that perception was reinforced by the unsportsmanlike behavior of U.S. athletes during the recent Summer Olympics, particularly the basketball team.

"I think we've reached a point where people are beginning to see through athletes selling their souls for an endorsement contract," she said.

For example, 32% of the respondents said Mr. Jordan was their favorite personality. That's down from 34% in 1991.

Among teens, Mr. Jordan ranked No. 1; his Chicago Bulls teammate Scottie Pippen ranked ninth; and Texas Rangers pitcher Nolan Ryan was 10th among all performers.

Among kids ages 6 to 11, Mr. Jordan was second and Mr. Ryan sixth among all performers.

Almost all other athletes dropped in the overall ratings, including former Los Angeles Lakers star Earvin "Magic" Johnson.

Two athletes proved to be the exceptions. Mr. Ryan

(Continued on Page 40)

Randy Bauer/Ron Galella

Cosby

Stewart

Eastwood

Top 10 personalities

Rank/name	Q Score	Rank/name	Q Score
1. Bill Cosby	48	6. Whoopi Goldberg	44
— Jimmy Stewart	48	— Billy Crystal	44
3. Clint Eastwood	47	8. Mel Gibson	43
4. Steven Spielberg	46	9. Damon Wayans	42
5. Robin Williams	45	10. Tim Allen	41

Source: Marketing Evaluations/TVQ's Performer Q ratings. Ratings are a quotient of a performer's popularity divided by familiarity. Tie score rankings are based on performer's familiarity scores.

Spielberg

Williams

Goldberg

Old tarnish dims New Clios

Some major shops take pass on revived awards contest

By Melanie Wells

An attempt to revive the Clio awards following a debilitating scandal last year is showing only limited signs of success, raising questions about whether the formerly prestigious awards will ever regain their previous stature.

Entries in this year's contest are estimated at about 6,000, down 76% from last year's 25,000, said Michael Demetriades, VP-international director of The New Clio Awards Inc.

An awards ceremony is scheduled for Sept. 15 in New York, hosted by actor and Eagle Snacks celebrity endorser Tony Randall, but many top agencies are steering clear of the New Clios.

Those not participating include the New York offices of DDB Needham Worldwide, Ogilvy & Mather, Grey Advertising, Ketchum Advertising, Backer Spielvogel Bates, TBWA and Scali, McCabe, Sloves, as well as Wieden & Kennedy, Portland, Ore.

However, smaller offices of DDB Needham, O&M and Grey chose to submit entries.

"It's basically impossible to erase the image of those greedy, infantile, statue-grabbing looters at last year's show."

Many agency executives said the Clios are still tainted by the melee that broke out at last year's print awards ceremony when angry attendees stormed the stage, grabbing Clio statuettes.

The TV awards ceremony was then canceled, followed by allegations of financial malfeasance concerning Clio awards owner Bill Evans that resulted in a still-disputed change in ownership.

"It's basically impossible to erase the image of those greedy, infantile, statue-grabbing looters at last year's show," said Keith Gould, exec VP-director of creative services at N W Ayer, New York.

Following last year's awards debacle, Ruth Ratny, publisher of *Screen Magazine*, said she bought the Clio trademark for an estimated $10,000 and set about rebuilding the awards show.

But representatives for Mr. Evans termed the fee a down payment and maintained full ownership hadn't been transferred. The issue is expected to be settled in court later this year.

Even so, Ms. Ratny proceeded with

(Continued on Page 39)

How Unilever's South Korean partnership fell apart

By David Kilburn

SEOUL--Unilever and Aekyung Co. are calling it quits after seven years of a successful joint venture in South Korea, and the charges and countercharges are flying.

The breakup of Aekyung Industrial Co., or AKI, includes a myriad of breach of contract allegations and could set back Unilever's efforts in this country several years.

The partners said in a short statement in July that their ideas about the future development of the joint venture, with 1991 sales of $170 million, weren't compatible.

GLOBAL NEWS

One executive close to the two partners said: "I think Aekyung may have been a little rigid, while Unilever may have been a little insensitive and inflexible to local conditions. It's quite likely that they each had their own hidden agendas. Both parties could have handled things better."

What still has to be sorted out is which company gets which brands. Originally, the partners agreed that if one of them breached the agreement, the other could acquire the joint venture and joint brands. But at this point, Unilever and Aekyung can't even agree on which brands are considered joint.

For instance, Aekyung claims that Hanore two-in-one shampoo, which holds a 13% share of the $78 million market, is a local brand predating the joint venture. Unilever, however, says the brand is international because it now comes under the Sunsilk umbrella and has a Unilever ingredient.

For Unilever, the outcome will be the difference between starting from scratch and taking over a very successful company and most of its brands. For Aekyung, the question is how big a stable of consumer brands it will have to market.

The joint venture grew an average of 50% annually in the past five years, according to Merit Communications, Unilever's public relations agency here. The agency wouldn't disclose profit figures.

Sixty percent of AKI's sales come from products developed by the joint venture, most based on Unilever technology or brand concepts, said Jung Wook Hwang, Unilever hair products manager. The joint venture is responsible for South Korean sales of Unilever brands including Pond's, Vaseline, Pepsodent, Close-Up, Sunsilk and Vino-

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Homeopathic drugs naturally want spot in mainstream market

By Marcy Magiera

Marketers of homeopathic medicines want to write a prescription for the American mainstream, and they're spending marketing dollars to do it.

Such remedies—which treat an ailment with small doses of natural substances that cause symptoms similar to those the patient wants to cure—are commonly available in Europe. But in the U.S., they've mainly been ignored by physicians and relegated to natural food stores.

Homeopathic marketers expect that to change as they invest more money in marketing their products and the media play up their uses.

Nature's Way, a leading marketer of herbal products, this summer launched a new line of 18 homeopathic remedies called Medicine From Nature. Each is priced around $7.

The company got its new products placed in two Western chain stores, mass merchandiser Fred Meyer Inc. and the Smith's Food & Drug supermarkets, in addition to natural food stores nationwide.

Nature's Way plans to advertise the products, which include insomnia, allergy and headache formulas, in national women's and parenting

(Continued on Page 40)

Nature's Way will market Medicine From Nature with ads that say the brand causes no side effects.

USPS: A marketing and sales partner

By John R. Wargo
and Jean Li Rogers
U.S. Postal Service
Washington, D.C.

Advertising mail is important to the Postal Service.

The U.S. Postal Service has long been the national and international messenger for all businesses and residences. In the past 20 years, ad mail has grown to become 50% of all mail delivered to households.

The marketing program of the Postal Service is working with customers to maintain and continuously improve the effectiveness of mail as a marketing/advertising medium. And, while ad mail is important to the Postal Service, it is also important to the national economy, businesses and consumers.

The dramatic increase of women in the labor force, dual-income families, computers and census information has led many consumer-oriented industries, such as retailers, banks, telephone companies, airlines and charities, to use mail as their marketing communication medium because of its unique ability to be used for pinpoint targeting.

The Postal Service has been responding to these changes in the marketplace. Working with the mailing industry, new postal technology was developed, ZIP codes became the base for market areas, carrier-route information assisted in defining target markets, worksharing incentives helped reduce costs and new service programs enabled our customers to better use the mail.

Educating businesses on use of the mail: The Postal Service has become more active in promoting advertising mail. In addition to the Postal Service account representatives selling the benefits of mail as a communication medium, National Postal Forums and Postal Customer Councils offer direct mail sessions in major cities across the country.

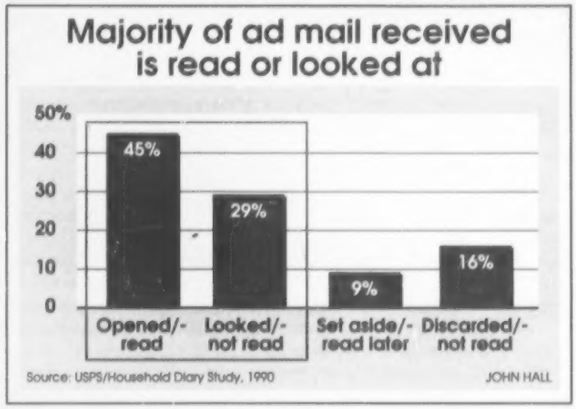
For instance, by working with industry associations, direct mail seminars were developed with New York and Long Island Postal Customer Councils for new and experienced marketers.

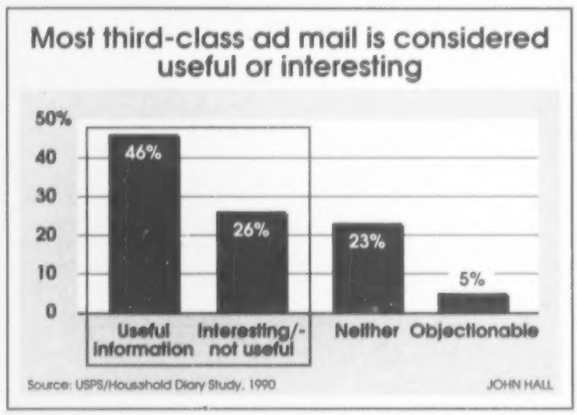
Household Diary Study: Another way the Postal Service participates in developing the advertising mail market is to share research findings with our customers.

Findings from an annual diary panel study of more than 5,300 households—research that gathers information on the mail households send and receive—have been presented at industry and professional meetings and in publications.

The Postal Service commissioned Chilton Research Services to conduct this Household Diary Study. It offers a wealth of information for advertisers on who receives and sends different kinds of mail and on the relative effectiveness of different elements of the mail piece.

John R. Wargo is assistant postmaster general, advertising and account services department. Jean Li Rogers is manager of new account services in the department.





Study results have surprised some marketers and consumers who have criticized advertising mail as unwanted. The data show it *is* wanted, but customers want it to be interesting, enjoyable and relevant.

A sampling of the most recent 1990 Household Diary findings from this nationally projectable study paints a broad picture of attitudes about advertising mail.

More than half the households don't mind receiving advertising mail as long as some of it is interesting; about two-fifths want to receive less advertising mail.

Yes, there are also some households that want more advertising mail—about 5% of them. Advertisers have to work harder to match the message to the right target audience.

Moreover, when respondents reacted to specific advertising mail pieces they received, they indicated the majority (74%) were immediately read or looked at. About 16% is discarded without being read. The rest (9%) is set aside for later reading.

This confirms that the envelope attracts attention, and the decision to open or set aside the mail piece is related to such factors as the correct name and address.

When they looked at or read the specific advertising mail piece, respondents found most (72%) of them were useful or interesting. Only 5% were found to be objectionable, a consistent finding since the study began in 1987.

These findings do not support notions that advertising mail is unwelcomed by households. They do support the fact that consumers will open and read advertising mail they perceive to be useful and interesting.

This is a strong message consumers are sending to advertisers: target your message so that it is relevant to the recipient.

The study also found about half the mail received by households is advertising mail. Due to targeting (particularly by income, age and education), households with higher incomes receive more advertising mail.

A household earning less than $7,000 a year in 1990 received a weekly average of 5.9 pieces of advertising mail, while a household with an income of more than $100,000 received a weekly average of 20.8 pieces.

Households most likely to read all their mail are those that receive fewer pieces. Those receiving fewer than eight pieces of ad mail a week (21%) said they usually read all of it, and 69% said they usually partially read it.

By comparison, about 8% of households receiving 18 or

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more pieces a week said they read all of it and about 82% said they partially read it.

There appears to be tremendous market potential in all income groups if advertisers better target their mailings.

It was startling to see that 50% of all mail is advertising mail regardless of income grouping or total mail received. Obviously, groups with higher disposable income receive more mail, and particularly more ad mail. They are also the group with the lowest proportion of mail opened and read (42%) and the highest proportion discarded without being read (21%). There is good reason to believe this is the most vocal group to publicly express their likes and dislikes.

Advertisers have to be careful not to send solely to this group because of their income; they must also add relevance to the equation.

Characteristics of the mail piece: A major cue for consumers in deciding to open and read their mail is the address/return address.

If they know the company in the return address, a total of 83% of the ad mail pieces are either read (61%) or looked at (22%), compared to 61% (26% read, 35% looked at) of the pieces from companies they do not know.

Those companies that are careful with their addresses and include their return address on the envelope front have the best opportunity to get across their messages.

This information also points out the value of building customer relationships through the mail. Businesses and other organizations can strengthen the loyalty they have with customers by keeping them informed with new promotions, new products and the latest trends.

The design of the mail piece is an important factor in the direct mail program. The use of the postcard to send a short, important message is an effective tool. Postcards draw the highest proportion of mail read.

Catalogs are also important to customers. If they are not read immediately, they are set aside for later.

The Postal Service recognizes the importance of advertising mail. It also recognizes that consumers are sophisticated buyers. The Postal Service has to find new ways to seek out advertisers. It also has an obligation to mail recipients.

The use of market research findings to determine the needs of advertisers and the decisions of consumers has placed the Postal Service in a unique position to begin developing creative solutions based on sound data.

This data will serve as the centerpiece of the strategy being developed by the Postal Service. Findings on the likes and dislikes of consumers are being presented in newly developed Postal Customer Council seminars and the National Postal Forums.

The Postal Service is also becoming an active player in the advertising market and is developing a Sales Partners Program with the advertising and marketing industry. This partnership will help create a customer-oriented advertising mail industry that will continue to serve businesses by building customer satisfaction with the people who receive and respond to mail.

If you need more information or have suggestions, write us at:

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High-income households receive more ad mail

Annual income	Total pieces/week	Ad mail pieces/week	% ad mail
Under $15,000	12.2	6.1	50%
$15,000-$29,000	18.0	9.3	52
$30,000-$65,000	24.5	12.9	53
$65,000 and over	32.5	16.9	52
Total	21.5	11.4	53

Source: USPS/Household Diary Study, 1990

JOHN HALL

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Consistent two-day service between all major business markets.
Three days everywhere else.
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AD REVIEW

Excited about Pepsi's new Jackson ad? Dream on

Garfield

By Bob Garfield

The new Pepsi commercial starring pop phenomenon Michael Jackson will run in 165 countries of the world, but not the U.S. Perhaps this is so the children of agency employees will not be teased in school.

With characteristic modesty, PepsiCo calls the spot "a creative tour de force never before imagined" and "a monument to creative advertising," which is absolutely correct. The spot is monumentally overwrought and unimaginably pretentious. Also extravagant beyond redemption.

Director Joe Pytka used five shooting days, three Culver City stages, a crew of 60, two blimps, a truckload of liquid nitrogen and approximately two months of post-production to create this 1-minute video spectacle—the most spectacular aspect of which is the sheer inanity of the expense.

In this monument to checkbook advertising, PepsiCo and BBDO Worldwide, New York, have used a million U.S. dollars as never before imagined: to camouflage the utter lack of a selling idea. The rationalization is that one cannot stint when one is trying to speak simultaneously to 165 countries, and in that sense Pepsi does succeed. This spot means the same thing the world over:

Nothing.

"Dreams" is what the commercial is called, and it opens to the background music of Jackson's song "Who Is It?" Looking from a high vantage into a rain-slicked alley, we see two towering wall posters: one featuring a slinky Pepsi model and, on the opposite wall, Jackson's new album cover. Then Michael himself materializes on the pavement doing a brief dance step. Next, fleetingly, the sultry model appears there, too. Her skin is creamy white, her cheekbones dramatic, her feminine nose chiseled as if from stone. Is she real?

Rating: ★ ½

"Dreams," the new spot from Pepsi starring Michael Jackson, is a technological tour de force—and a colossal failure at everything else.

Michael pursues her. Here we see a lot of liquid nitrogen-generated smoke, a sequence of surrealistic visual effects, including the morphing of gilded animal statuary into actual exotic animals, a midget standing on a giant's head saying "Pepsi" forward and backward, and the midget's top hat becoming a tunnel of swirling clouds through which Michael runs. This brings our pale and sweaty hero back to the alley, where a speeding Pepsi truck is bearing down on him, painted and lighted like a carousel.

"Pepsi," says the tagline, superimposed over the again-deserted alley, "The choice of a new generation."

Ah, that timeless story: Boy meets girl. Boy resembles girl. Boy gets flattened by truck. *That* will certainly sell a lot of soda pop.

This spot is a classic example of creative overkill, desperately attempting to be diaphanous and enigmatic, but being instead merely pointless. And boring, thanks not only to the unfathomable action but also to the diluting effect of one state of the art visual trick after another. Never has any whole been any less the sum of its parts.

Beyond that, the music and imagery are shockingly derivative. Jackson's new song sounds just like "Billie Jean" from nine years ago, while Pytka's visuals borrow liberally from other film styles. A little Fellini, a little David Lynch—and, strangest of all, far too little Michael Jackson.

After all, before playing varsity for the American College of Plastic Surgeons, Jackson was famous not for blanching himself and adopting underprivileged chimpanzees but for being the greatest song and dance man of his day. Why, then, in a 60-second spot, is there only 9.8 seconds of Michael Jackson singing and dancing? Why, when trading on entertainment value alone, go to such great lengths not to entertain?

The answer has something to do with the sin of pride. And the consequence is not only a dream. It is a nightmare. □

Homeopathic

(Continued from Page 3)

magazines early next year.

People "are tired of running to the doctor with every problem," said Jeff Hilton, VP-marketing for Nature's Way. "Our focus groups told us that people wanted to use homeopathic medicines, but they didn't understand them."

To educate consumers, Nature's Way created a free point-of-purchase pamphlet called "A Beginner's Guide to Homeopathy."

Homeopathic remedies are based on the belief that like treats like. For example, Medicine From Nature's allergy remedy contains a tiny amount of allium cepa, an onion extract. Onions cause tearing and a runny nose, which are also common allergy symptoms.

Because of their minute dosages, homeopathic remedies for common, easily self-diagnosed ailments are exempt from the Food & Drug Administration's safety and effectiveness reviews. As such, marketers are free to make ad claims about the effectiveness of the remedies.

But so far, most homeopathic marketers have avoided such claims, instead promoting the products as natural remedies without side effects.

In a TV spot for Oscillococcinum cold remedy, Boiron/Borneman, another homeopathic medicine marketer, shows a grandmother to position the product as natural as chicken soup.

The spot, created by Martin Marshall Jaccoma Mitchell, New York, has been running for several years in the Baltimore-Washington area, where Boiron/Borneman is testing Oscillococcinum in chain drugstores. It plans to expand distribution of the product to other Eastern markets.

Print ads for Medicine From Nature, created by Williams & Rockwood, Salt Lake City, promote the line as having none of the side effects of conventional over-the-counter medications.

People "are tired of running to the doctor with every problem."

"If it makes me drowsy, weak and sick to my stomach, is that a cure?" the woman pictured in one ad asks.

Ads broke in July issues of magazines such as *American Health, Natural Health* and *New Age Journal*, Mr. Hilton said.

Next year, Nature's Way plans to advertise selected medicines in parenting and women's magazines. Those ads will focus on Medicine From Nature women's products for vaginitis, menopause and premenstrual syndrome and its children's line of earache, colic and teething tonics.

Another marketer, Schmid Laboratories, is entering the homeopathic market via the women's segment. Schmid is selling a vaginal yeast infection cure in supermarkets under its Vaginex brand.

Dana Ullman, who developed the Medicine From Nature line and sits on the board of the National Center for Homeopathy, estimates sales of homeopathic drugs grew 50% between 1988 and 1990, when they hit $150 million.

Mr. Hilton of Nature's Way expects homeopathics to be a $200 million business this year. Hard figures, however, are hard to come by since most market research doesn't count sales in natural foods stores, where more than two-thirds of homeopathic cures are sold.

"What's happened in Europe inevitably will happen here," Mr. Ullman said. "I predict [the rapid growth of] the environmental movement a couple of years ago will happen with natural medicine."

Contributing to homeopathy's growing popularity is the exposure natural medicine has received in the general press.

The September issue of *Details*, for example, carries a feature on homeopathic sports remedies. And *Reader's Digest*, possibly the most mainstream magazine in America, next year will publish "The Family Guide to Natural Medicine," which includes a chapter on homeopathy co-authored by Mr. Ullman. □

Steven W. Colford contributed to this story.

Ad rates

(Continued from Page 1)

creases, [but] that isn't what advertisers will pay," said Nancy Smith, exec VP-director of print and media relations at Young & Rubicam. "It's the opening bid in a negotiated marketplace."

Publishers say the increases are justified by rising costs for paper and other fixed expenses.

One publishing executive, however, admitted published rate hikes are little more than padding to hedge against discounting:

"There's just so much negotiating going on, a lot of people are saying, 'Let's raise rates so we have something to negotiate with.' The industry has created a real problem for itself."

The most brazen price hike could come from Hearst Magazines, the nation's second-largest publisher. Sales reps at Hearst's monthlies have told media buyers in recent weeks to expect average increases of 9.7%, which one media director said amounts to "shooting themselves in the foot."

A Hearst spokeswoman said the 9.7% figure "is not set in stone" and may not apply to all the company's magazines, which include *Good Housekeeping, Cosmopolitan, Esquire* and *Harper's Bazaar*.

Conde Nast Publications, whose titles include *Vanity Fair, Vogue* and *Glamour*, will raise ad rates 7.5% at most of its magazines, said Exec VP John Brunelle. *The New Yorker*, owned by Conde Nast parent Advance Publications, will also boost rates 7.5%.

"We need that to keep publishing," Mr. Brunelle said. "It's a cost-of-living increase."

One exception at Conde Nast is *HG*, which will forgo an ad rate increase due to continued weakness in its core ad category, upscale home furnishings. Publisher Kevin Madden said a midyear increase is possible if the ad market rebounds.

Knapp Communications Corp., publisher of *HG* rival *Architectural Digest*, adopted a similar strategy in 1992. But *Architectural Digest* will raise rates 8% in 1993 and its sister publication, *Bon Appetit*, will climb 6.8%, said Senior VP-Publishing Director Thomas P. Losee Jr.

"We got plenty of good will out of it," Mr. Losee said of the decision to hold the line in 1992. "But you can't do that year to year."

By contrast, Bauer Publishing Co.'s *First for Women* will raise rates 14.3%, while its *Women's World* plans a 10.2% hike.

Hachette Magazines will raise rates 7% to 9%, a spokeswoman said. Hachette includes *Elle, Woman's Day* and *Road & Track*.

Times Mirror Magazines, publisher of *Field & Stream, Outdoor Life* and *Golf Magazine*, will probably ask for 5% to 7% increases, said James Kopper, exec VP-group publisher. He said the company will also raise subscription and newsstand prices next year.

K-III Magazines "is looking in the range of 6% to 8%, depending on the book and its competitive situation," said Exec VP Richard Hawkes. K-III titles include *New York Magazine, New Woman, Premiere* and *Automobile Magazine*.

Straight Arrow Publishers' *Rolling Stone* will raise rates 7%, while sister magazine *US* plans a 7.5% hike, a spokesman said.

And *Newsweek*, published by the Washington Post Co., is likely to seek a 6% increase, said Advertising Director Greg Osberg.

Publishers traditionally set ad rates for the coming year in late summer or early fall as they prepare to accept insertion orders for January issues. Publishers of monthlies are often the first to announce hikes; weeklies, with later closing dates, are usually the last.

The largest publisher of weekly magazines, Time Inc., expects to make a final decision on rates within the next month, said VP-Advertising Richard Heinemann. Time Inc.'s titles include *Time, People* and *Sports Illustrated*.

Fred Drasner, president of *U.S. News & World Report*, also said a decision hasn't been reached but added, "I think it's going to be tough to get a big rate increase." □

Ratings

(Continued from Page 3)

placed second among all athletes, and among particular demographic groups the pitcher is fast emerging as a favorite, said Henry Schafer, exec VP of Marketing Evaluations/TVQ.

"He's got a clean-cut image. He's a fighter. He's always in shape. And he's a nice guy," Mr. Schafer said.

Kristi Yamaguchi, Olympic gold medal figure skater, wasn't on the rankings in 1991 but placed third among athletes this year.

"The whole sports category . . . is undergoing changes in terms of popularity, with so many outrageous salaries. People are asking, 'Are they really worth the money they earn?' " Mr. Schafer said. However, he noted that that cynicism has yet to affect young consumers.

The Q survey findings are based on 1,800 responses to a nationally projectable survey with a margin of error of plus or minus 2 percentage points.

Respondents were asked via a mail survey which of 1,500 entertainment and sports personalities they liked most. The Q ratings represent a performer's popularity divided by his or her familiarity. □